Maryland
SF
335
.U6M3
1923

FOURTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

The Governor of Maryland

1923

aryland
SF
935
.U6M3
1923

UNIVERSITY OF MARYLAND LIBRARY

FOURTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

The Governor of Maryland

1923

LIBRARY—COLLEGE PARK

FOURTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

The Governor of Maryland

1923

Maryland
LCP
335
.M6H2
1923

MARYLAND RACING COMMISSION

BOARD

JAMES A. LATANE, *Chairman*
JERVIS SPENCER, JR.

STAFF

JAMES F. HAYWARD, *Secretary*
NANNIE C. KREIS, *Stenographer*
CARLOS M. DE GARMENDIA, *Judge-At-Large*
JOHN E. CHARSHEE, *Auditor*
WM. BRADLEY CARR, *General Inspector*
THOMAS A. BERNEY, *Inspector*
WILLIAM V. CONRAN, *Inspector*

FOURTH ANNUAL REPORT

OF

MARYLAND RACING COMMISSION

To His Excellency, Albert C. Ritchie,
Governor of Maryland.

The Maryland Racing Commission respectfully submits herewith its Annual Report for the year 1923:

It is with the deepest regret that we record the death of Mr. E. Clay Timanus one of your Commissioners. Mr. Timanus was at all times an earnest and willing worker, giving generously of his time and efforts to any plan for the advancement of racing; pleasant to come in contact with and to work with, and it is our feeling that in his death racing has lost an able advisor and good friend.

Racing in Maryland for the season of 1923 has been most satisfactory; the fields of horses have been large and of the highest class, and the contests above any question of adverse criticism. We feel that the law under which racing is now being conducted can hardly be improved upon; that big steps forward have been made, and still much more will be accomplished. Under the present law, the State receives, from the per diem license fee and the 15% tax, a fair return for the franchise granted, and the Commission is both enabled and required to exercise a close supervision over the operations of the racing associations, not only in person but also by periodical examinations and audits of the books and accounts of each association. Under this law also, the interest and welfare of the race-going public are amply safeguarded, and it has been, and will continue to

be, the policy of the Commission, to require and have put into effect new and additional improvements at each racing plant, for the benefit of the public, as and when funds are available for that purpose. The Commission believes that the present law deals adequately with the rights of the State and the public on the one hand and the various racing associations on the other, and, therefore, we respectfully recommend that no changes be made in the law.

The attendance this year at the races has been greater than in the preceding year, showing how popular this pastime continues to be.

The County Fairs are improving, and are now an honor to the State, and an education and pleasure to a large number of our citizens.

The Commission is very much pleased and gratified with the present high standard of racing in the State and the friendly attitude of the people.

There is attached hereto an account of the Receipts and Disbursements of the Commission, and an account of the Receipts and Disbursements during the year of the four licensees of the Commission operating one-mile tracks.

Respectfully submitted,

JAS. A. LATANE,
JERVIS SPENCER, JR.

STATEMENT OF MARYLAND RACING COMMISSION

(FOR YEAR 1923.)

RECEIPTS.

County Fairs, 42 days racing @ $50.00 per day		$2,100.00
Harford Agricultural and Breeders' Association, 23 days' racing @ $6,000.00 per day	$138,000.00	
15 per cent. of net revenue	41,528.70	179,528.70
Maryland State Fair, Inc., 23 days' racing @ $6,000.00 per day	138,000.00	
15 per cent. tax on donations to County Fairs, (1921 and 1922)	3,000.00	
15 per cent. of net revenue	48,194.88	189,194.88
Maryland Jockey Club of Baltimore City, 23 days' racing @ $6,000.00 per day	138,000.00	
Account of Baltimore County, $3,000.00 per day	69,000.00	
15 per cent. tax on donations to County Fairs, (1921 and 1922)	3,000.00	
15 per cent. of net revenue	34,860.44	244,860.44
Southern Maryland Agricultural Association, 23 days' racing @ $6,000.00 per day	138,000.00	
15 per cent. tax on donations to County Fairs, (1922)	1,500.00	
15 per cent. of net revenue	29,669.16	169,169.16
License Fees, Trainers and Jockeys		1,196.00
Interest on Money on Deposit		3,957.39
Reserved from 1922 Revenue for 1923 Expenses		10,000.00
Total Receipts		$800,006.57

DISBURSEMENTS.

Commission's Salary		$9,633.33
Office Salaries		5,030.00
Salaries and Expenses of Commission's Employees for County Fairs		1,879.99
Premiums on Chairman's and Commissioners' Fidelity Bonds		1,500.00
Automobile and Car Hire		1,620.53
Travel and Miscellaneous Expense of Commission and Employees		829.48
Office Supplies		25.62
Office Expense (Miscellaneous)		424.72
Office Furniture and Fixtures		87.20
Telephone		106.43
Rent of Offices		1,950.00
Paid to County Treasurers		2,100.00
Paid to Treasurer of Baltimore County,		
June 29, 1923	$33,000.00	
December 29, 1923	36,000.00	69,000.00
Paid to State Treasurer,		
February 16, 1923	$ 7,500.00	
June 29, 1923	198,378.02	
December 29, 1923	489,941.25	695,819.27
Reserved from 1923 Income for 1924 Expenses		10,000.00
Total Disbursements		800,006.57

HARFORD AGRICULTURAL AND BREEDERS' ASSOCIATION, INCORPORATED

STATEMENT OF NET REVENUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE YEAR ENDED OCTOBER 31, 1923.

REVENUE:

Admissions:		
General	$208,782.00	
Club House	14,840.00	
Boxes	2,693.00	
Membership Dues	1,900.00	
Pari-Mutuels:		
Commissions	584,764.95	
Breakage	103,539.35	
Programs—Net	7,192.75	
Concessions	10,550.00	
Interest Received on Liberty Loan Bonds	850.00	
Leads to Post	60.00	
Refund of Interest Paid to Citizens National Bank in Prior Period	489.37	
Total		$935,661.42

EXPENSES:

State License, 23 days @ $6,000.00 per day	$138,000.00	
Stakes and Purses	259,500.00	
Pari-Mutuel Expenses:		
Salaries and Wages Paid	89,893.32	
Stationery and Printing	12,539.63	
Insurance of Money	296.98	
Cash Shortage	1.109.26	
Miscellaneous	1,005.00	
Salaries and wages paid to racing officials and employees	26,651.00	
Salaries paid to regular track employees	12,400.00	
Officers' salaries, directors' compensation, and legal fees	29,532.72	
Wages paid temporary track employees	8,405.44	
Stationery, printing, and postage	6,780.96	
Music	1,682.91	
Services of Pinkerton National Detective Agency	12,207.71	
Light and water	2,442.87	

Advertising and publicity service	16,348.24	
Ambulance and hospital service	660.00	
Team hire and expense	3,407.51	
Telephone and telegraph	794.32	
Professional services other than legal	1,196.13	
Insurance premiums paid	7,341.28	
Taxes paid, other than Federal Income Tax	6,954.42	
Rent paid	300.00	
Donations	450.00	
Miscellaneous	2,618.87	
Total		$642,518.57
Net taxable revenue for the year before deducting cost of equipment and repairs		$293,142.85
Cost of equipment and repairs (actual expenditures allowable by the Commission):		
New equipment	$ 682.29	
Repairs	22,596.11	$23,278.40
Net taxable revenue for the year after deducting cost of equipment and repairs		$269,864.45
Add Pari-Mutuel tickets outstanding applicable to fall meeting, 1920, now credited to surplus		6,311.25
Total net revenue taxable by Commission		$276,175.70

CERTIFICATE.

We have made an examination of the books and accounts of the Harford Agricultural and Breeders' Association, Incorporated, for the year ended October 31, 1923, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of equipment and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended October 31, 1923, is correct.

(Signed) HASKINS & SELLS.

Baltimore, November 15, 1923.

Net revenue as shown in the above statement after new construction and equipment, should not have had deducted $682.29, as more than this amount was in the Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1923 income. Therefore, net income on which 15 per cent. is calculated should be $276,857.99.

DISTRIBUTION OF NET REVENUE

State Tax of 15 per cent. on Net Revenue	$41,528.70
Federal income and profits tax for 1923	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital)	$110,392.22
Set aside for Building Fund	Balance of net revenue after above payments.

MARYLAND STATE FAIR, INCORPORATED

STATEMENT OF NET REVENUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE PERIOD FROM NOVEMBER 21, 1922, TO OCTOBER 31, 1923, (RACE MEETING OCTOBER 2 TO 27, 1923).

REVENUE:		
Admissions:		
General	$237,810.00	
Club House	11,005.00	
Paddock Exchange	7,010.00	
Boxes	3,030.00	
Membership dues	14,500.00	
Pari-Mutuels:		
Commissions	594,561.75	
Breakage	106,198.90	
Programs—net	11,490.76	
Concessions	9,203.00	
Leading horses to post	80.00	
Interest received:		
Loans—net	29,253.48	
Bank balances	3,327.10	
Rental of stalls	650.00	
Total		$1,028,119.99
EXPENSES:		
State License, 23 days at $6,000.00 per day	$138,000.00	
Stakes and purses	311,000.00	
Pari-Mutuel Expenses:		
Salaries and wages paid	81,951.00	
Stationery and printing	12,728.63	
Insurance of money	1,592.10	
Repairs	752.28	
Cash shortage	1,829.89	
Miscellaneous	195.20	
Salaries and wages paid to racing officials and employees	39,096.00	
Officers' salaries and legal fees	29,200.00	
Wages paid to regular track employees	19,094.85	
Office salaries	1,913.00	
Stationery and printing	4,013.12	
Services of Pinkerton National Detective Agency	2,247.63	

Music	2,300.00	
Water, heat and light	2,054.97	
Advertising and publicity service	8,425.00	
Ambulance service	345.00	
Automobile expenses	395.27	
Telephone and telegraph	481.92	
Carefare and expenses of officers and employees	4,270.92	
Insurance premiums—net	17,914.30	
Taxes paid, other than Federal Income Tax	23,250.30	
Donations	550.00	
Other professional services	615.03	
Office rent and clerk hire, New York	3,000.00	
Miscellaneous	3,331.87	
Total		$710,548.28
Net taxable revenue for the period before deducting cost of new equipment and repairs		$317,571.71
Cost of new equipment and repairs (actual expenditures allowable by the Commission):		
New equipment	$ 225.00	
Repairs	8,919.56	9,144.56
Net taxable revenue for the period after deducting cost of new equipment and repairs		$308,427.15
Credits to Surplus:		
Pari-Mutuel tickets outstanding applicable to 1920 meeting	$12,059.06	
Surplus from bids, 1922 meeting	588.00	
Total		$ 12,647.06
Total net revenue taxable by Commission		$321,074.21

CERTIFICATE.

We have made an examination of the books and accounts of the Maryland State Fair, Incorporated, for the period from November 21, 1922, to October 31, 1923, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of new equipment and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY, that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the period from November 21, 1922, to October 31, 1923, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 7, 1923.

Net revenue as shown in the above statement after new construction and equipment should not have had deducted $225.00, as more than this amount was in the Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1923 income. Therefore, net income on which 15 per cent. is calculated should be $321,299.21.

DISTRIBUTION OF NET REVENUE

State Tax of 15 per cent. on Net Revenue	$48,194.88	
Federal income and profits tax for 1923	When ascertained.	
Applicable as Dividend to Stockholders (10 per cent. on Capital	$107,931.74	
Set aside for Building Fund	Balance of net revenue after above payments.	

MARYLAND JOCKEY CLUB OF BALTIMORE CITY

STATEMENT OF NET REVENUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE YEAR ENDED NOVEMBER 30, 1923.

REVENUE:

Admissions:		
General	$317,813.15	
Club House	16,348.00	
Paddock Exchange	7,865.00	
Boxes	5,869.65	
Membership dues and initiation fees	22,145.50	
Pari-Mutuels:		
Commissions	707,458.85	
Breakage	118,395.20	
Programs—net	13,236.63	
Concessions	1,895.00	
Profit from operation of restaurant and catering service, net	8,470.31	
Leading horses to post	80.00	
Interest received:		
Bank balances	14,470.75	
Loan	58.35	
Bonds and notes	2,003.77	
Dividends received on stock	75.00	
Rental	375.00	
Profit on sale of investment security	625.00	
Miscellaneous	352.25	
Total		$1,237,537.41

EXPENSES:

State license, 23 days at $6,000.00 per day	$138,000.00
Baltimore County license, 23 days at $3,000.00 per day	69,000.00
Stakes and purses	419,009.86
Awards to trainers of winning horses	10,750.00
Pari-Mutuel expenses:	
Salaries and wages paid	119,137.00
Stationery and printing	16,705.67
Repairs	721.75
Miscellaneous	165.00
Salaries and wages paid to racing officials and employees	50,816.64
Officers' salaries and directors' compensation	24,200.04

Wages paid to regular track employees	36,013.41	
Office salaries	12,107.06	
Rent of track property	24,000.00	
Stationery and printing	5,658.59	
Music	2,460.00	
Services of Pinkerton National Detective Agency	1,876.39	
Water, heat and light	3,380.78	
Advertising and publicity service	7,561.64	
Ambulance service	407.25	
Auto hire	850.30	
Telephone and telegraph	301.94	
Insurance premiums paid	29,206.27	
Taxes paid, other than Federal income tax	11,234.47	
Legal fees	5,000.00	
Other professional services	1,993.43	
Cash "over and short" account	995.96	
Rent of office	1,800.00	
Tools and supplies	1,907.09	
Miscellaneous	5,177.07	
Total		$1,000,437.61
Net taxable revenue for the year before deducting cost of new construction, equipment, and repairs		$237,099.80
Cost of new construction, equipment, and repairs, (actual expenditures allowable by the Commission):		
New construction and equipment	$103,559.85	
Repairs	10,664.60	114,224.45
Net taxable revenue for the year after deducting cost of new construction, equipment and repairs		$122,875.35
Add Pari-Mutuel tickets outstanding applicable to fall meeting, 1920, now credited to surplus		9,029.80
Total net revenue taxable by Commission		$131,905.15

CERTIFICATE.

We have made an examination of the books and accounts of the Maryland Jockey Club of Baltimore City, for the year ended November 30, 1923, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of new construction, equipment, and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of Net revenue Taxable by the Maryland Racing Commission for the year ended November 30, 1923, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 18, 1923.

Net revenue as shown in the above statement, after new construction and equipment should not have had deducted $100,497.80 of this amount, as this much was in the Building Fund at the beginning of the year, and which should have been exhausted for these improvements before using 1923 income. Therefore, net income on which 15 per cent. is calculated should be $232,402.95.

DISTRIBUTION OF NET REVENUE

State Tax of 15 per cent. on net revenue	$34,860.44
Federal income and profits tax for 1923	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital	$103,662.77
Set aside for Building Fund	Balance of net revenue after above payments.

SOUTHERN MARYLAND AGRICULTURAL ASSOCIATION

STATEMENT OF NET REVENUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE PERIOD FROM DECEMBER 1, 1922, TO DECEMBER 7, 1923.

REVENUE:

Admissions:		
General	$182,607.00	
Club House	7,611.70	
Paddock Exchange	6,276.50	
Boxes	2,288.00	
Pari-Mutuels:		
Commissions	569,498.50	
Breakage	96,669.15	
Programs—net	10,433.47	
Concessions	4,977.75	
Total		$880,362.07

EXPENSES:

(Including amounts allowable by the Commission as officers' salaries and legal fees in lieu of actual expenditures therefor):

State license, 23 days at $6,000.00 per day	$138,000.00
Stakes and purses	244,399.00
Pari-Mutuel expenses:	
Salaries and wages paid	94,191.00
Stationery and printing	11,624.99
Insurance on money	1,095.00
Miscellaneous	1,898.09
Salaries and wages paid to racing officials and employees	38,537.53
Officers' salaries—amount allowable by the Commission	25,000.00
Officers' expenses	4,400.00
Wages paid to regular track employees	16,724.35
Office salaries	4,338.00
Stationery and printing	3,231.93
Music	1,775.00
Services of Pinkerton National Detective Agency	1,854.16
Services of Lancaster Detective Bureau	11,489.72
Light, heat, etc.	1,857.42

Advertising and publicity service	8,327.30	
Telephone and telegraph	1,148.72	
Insurance premiums paid	16,759.79	
Taxes paid, other than Federal income tax	7,825.80	
Legal fees—amount allowable by the Commission	5,000.00	
Other professional services	1,831.46	
Rent of offices paid	1,560.00	
Cash "over and short" account	990.01	
Interest on loans	761.33	
Donations	45.00	
Miscellaneous	5,780.87	
Total		$650,446.47
Net taxable revenue for the period before deducting cost of new construction, equipment and repairs		$229,915.60
Cost of new construction, equipment, and repairs, (actual expenditures allowable by the Commission):		
New construction and equipment	$37,565.01	
Repairs	49,448.68	87,013.69
Net taxable revenue for the period after deducting cost of new construction, equipment and repairs		$142,901.91
Credits to surplus:		
Pari-Mutuel tickets outstanding, applicable to fall meeting, 1920		900.00
Surplus from bids, 1922 meeting		181.18
Total net revenue taxable by Commission		$143,983.09

CERTIFICATE.

We have made an examination of the books and accounts of the Southern Maryland Agricultural Association for the period from December 1, 1922, to December 7, 1923, and, subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries, legal fees, and cost of new construction, equipment, and repairs, to the fact that no provision has been made in the above statement for Federal income tax paid or accrued, and to the accompanying comments.

WE HEREBY CERTIFY, that, in our opinion, the above statement of Net Revenue Taxable by the Maryland Racing Commission for the period from December 1, 1922, to December 7, 1923, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 20, 1923.

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $37,565.01, as more than this amount was in the Building Fund at the beginning of the year, and which should be exhausted for these improvements before using 1923 income, and, in addition, the following items have not been allowed as expenses:

Pari-Mutuel expense, stationery and printing	$11,585.00
Officers' expenses	3,900.00
Interest on loans	761.33

Therefore, net income on which 15 per cent. is calculated should be $197,794.43.

DISTRIBUTION OF NET REVENUE

State tax of 15 per cent. on net revenue	$29,669.16	
Federal income and profits tax for 1923	When ascertained.	
Applicable as Dividend to Stockholders (10 per cent. on Capital)	$72,457.16	
Set aside for Building Fund	Balance of net revenue after above payments.	

DO NOT CIRCULATE

Maryland
SF
835
U6M3
1923

DO NOT CIRCULATE

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $37,665.01, as more than this amount was in the Building Fund at the beginning of the year, and which should be expended for the improvement before a true P.U.C. income is had, in addition the following items have not been allowed as expenses:

Part Mabel's expense, stationery and printing	$11,085.09
Officers' expenses	3,900.00
Interest on loan	661.33

Therefore, net income on which 15 per cent is calculated should be $49,311.43

DISTRIBUTION OF NET REVENUE

Table 1st of 15 per cent on net revenue	$30,669.16
Federal income and profits tax for 1923	When ascertained
Applicable to Dividend to Stockholders 4.0 per cent on Capital	$7,387.16
Set aside for Building Fund	Balance of net revenue after above payment

DO NOT CIRCULATE